

EXHIBIT 5



H.E. SERVICES • 225 E. MORLEY DR. • SAGINAW, MI 48601 • (517) 753-9015 • FAX (517) 753-7703

June 21, 2001

Mr. Gerhard Eberle, CEO
Ex-Cell-O Corporation
Werkzeugmaschinen
Sondermaschinen

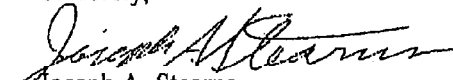
Dear Mr. Eberle,

In my letter to you dated May 23, 2001 it was clearly stated that the grinding machine (XG-690—P.O. 53510037) must be demonstrated to our satisfaction to be in complete compliance per the purchase contract and specifications. Your proposal to us in your June 7th, 2001 letter was to demonstrate capability on only three of the eight parts at your German facility and then ship the machine. This proposal is not acceptable as it is not in compliance with the contract and poses too great a risk.

The requirement is that all eight components must be satisfactorily demonstrated with acceptance tests. In addition, a machine run-off, capability test be performed prior to shipment from Germany. A representative from H. E. Services must be present during this pre-acceptance run.

Please submit a new proposal that will meet these requirements.

Sincerely,


Joseph A. Stearns
VP Engineering and Manufacturing

Cc: Uli Stuhlmuller, Ex-Cell-O
Robert Backie, H. E. Services, CEO
Timothy Fortier, President